

<i>SERFF Tracking Number:</i>	<i>BANN-128471488</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Banner Life Insurance Company</i>	<i>State Tracking Number:</i>	
<i>Company Tracking Number:</i>			
<i>TOI:</i>	<i>L04I Individual Life - Term</i>	<i>Sub-TOI:</i>	<i>L04I.003 Single Life - Single Premium</i>
<i>Product Name:</i>	<i>Exchangeable & Nonrenewable Term Life Insurance</i>		
<i>Project Name/Number:</i>	<i>PTC-GTCO/PTC-GTCO</i>		

Filing at a Glance

Company: Banner Life Insurance Company

Product Name: Exchangeable & Nonrenewable SERFF Tr Num: BANN-128471488 State: Arkansas

Term Life Insurance

TOI: L04I Individual Life - Term

SERFF Status: Closed-Approved-
Closed

State Tr Num:

Sub-TOI: L04I.003 Single Life - Single Premium Co Tr Num:

State Status: Approved-Closed

Filing Type: Form

Reviewer(s): Linda Bird

Author: Ada Miller

Disposition Date: 06/20/2012

Date Submitted: 06/14/2012

Disposition Status: Approved-
Closed

Implementation Date Requested: 07/15/2012

Implementation Date:

State Filing Description:

General Information

Project Name: PTC-GTCO

Project Number: PTC-GTCO

Requested Filing Mode: Review & Approval

Status of Filing in Domicile: Authorized

Date Approved in Domicile: 04/20/2012

Domicile Status Comments: Maryland, our state
of domicile, is part of the IIPRC.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Individual Market Type:

Overall Rate Impact:

Filing Status Changed: 06/20/2012

State Status Changed: 06/20/2012

Deemer Date:

Created By: Ada Miller

Submitted By: Ada Miller

Corresponding Filing Tracking Number:

Filing Description:

The above-referenced policy form is being submitted for your review and approval. This is an Exchangeable and Nonrenewable Term Life Insurance form that will be used in the simplified issue market. Life Insurance Application form, LIA-ST (2-12) approved v2/28/12, will be used for this product.

This form will be available to males and females, under Unismoke underwriting classifications on an Age Last Birthday basis. There is a \$50,000 minimum policy size.

Form PTC-GTCO contains the following features:

SERFF Tracking Number: BANN-128471488 State: Arkansas
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Product Name: Exchangeable & Nonrenewable Term Life Insurance
Project Name/Number: PTC-GTCO/PTC-GTCO

- Issue ages 25 through 75
- Maximum coverage period is 11 months
- Annual policy fee of \$50
- Guaranteed premiums are select and ultimate and vary by gender and attained age
- MediGuide Rider, MMGR (12-09), approved 1/5/10, will be included at no additional cost
- Accelerated Death Benefit, ADB (06-10), previously approved on 8/24/10, will be included at no additional cost

Upon approval, PTC-GTCO, is a new form and will not replace any other forms. This will be marketed through a brokerage distribution system. This is not an illustrated policy. The implementation date for this form is July 15, 2012.

To the best of our knowledge, information and belief, this form complies with the rules and regulations of your department.

State Narrative:

Company and Contact

Filing Contact Information

Ada Miller, Compliance Technician amiller@lgamerica.com
1701 Research Boulevard 301-279-4809 [Phone]
Rockville, MD 20850 301-294-6964 [FAX]

Filing Company Information

Banner Life Insurance Company CoCode: 94250 State of Domicile: Maryland
1701 Research Boulevard Group Code: 872 Company Type: Life Insurance
Rockville, MD 20850 Group Name: State ID Number:
(301) 279-4809 ext. [Phone] FEIN Number: 52-1236145

Filing Fees

Fee Required? Yes
Fee Amount: \$125.00
Retaliatory? Yes
Fee Explanation: 1 form x \$125
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
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<i>SERFF Tracking Number:</i>	<i>BANN-128471488</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Product Name:</i>	<i>Exchangeable & Nonrenewable Term Life Insurance</i>		
<i>Project Name/Number:</i>	<i>PTC-GTCO/PTC-GTCO</i>		
Banner Life Insurance Company	\$125.00	06/14/2012	60143753

SERFF Tracking Number: BANN-128471488 State: Arkansas
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 Project Name/Number: PTC-GTCO/PTC-GTCO

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	06/20/2012	06/20/2012

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Linda Bird	06/19/2012	06/19/2012	Ada Miller	06/20/2012	06/20/2012
Pending Industry Response	Linda Bird	06/19/2012	06/19/2012	Ada Miller	06/20/2012	06/20/2012

SERFF Tracking Number: *BANN-128471488* *State:* *Arkansas*
Filing Company: *Banner Life Insurance Company* *State Tracking Number:*
Company Tracking Number:
TOI: *L04I Individual Life - Term* *Sub-TOI:* *L04I.003 Single Life - Single Premium*
Product Name: *Exchangeable & Nonrenewable Term Life Insurance*
Project Name/Number: *PTC-GTCO/PTC-GTCO*

Disposition

Disposition Date: 06/20/2012

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: BANN-128471488 State: Arkansas

Filing Company: Banner Life Insurance Company State Tracking Number:

Company Tracking Number:

TOI: L04I Individual Life - Term Sub-TOI: L04I.003 Single Life - Single Premium

Product Name: Exchangeable & Nonrenewable Term Life Insurance

Project Name/Number: PTC-GTCO/PTC-GTCO

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		Yes
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Sample Cost Disclosure		Yes
Supporting Document	State Guaranty Association Notice		Yes
Supporting Document	Certification		Yes
Form (revised)	Exchangeable and Nonrenewable Term Life Insurance		Yes
Form	Exchangeable and Nonrenewable Term Life Insurance	Replaced	Yes

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Product Name: Exchangeable & Nonrenewable Term Life Insurance
Project Name/Number: PTC-GTCO/PTC-GTCO

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 06/19/2012
Submitted Date 06/19/2012
Respond By Date 07/19/2012

Dear Ada Miller,

This will acknowledge receipt of the captioned filing.

Objection 1

Comment:

Correction to the previous objection letter on 06/19/2012 01:21 PM

"We did (not) find a provision in the contract that provides for the payment of 8% interest on delayed claim payments as described in Ark. Code Ann. 23-81-118."

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

SERFF Tracking Number: BANN-128471488 State: Arkansas
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Company Tracking Number:
TOI: L04I Individual Life - Term Sub-TOI: L04I.003 Single Life - Single Premium
Product Name: Exchangeable & Nonrenewable Term Life Insurance
Project Name/Number: PTC-GTCO/PTC-GTCO

Response Letter

Response Letter Status Submitted to State
Response Letter Date 06/20/2012
Submitted Date 06/20/2012

Dear Linda Bird,

Comments:

Thank you for your reply.

Response 1

Comments: We have revised the Death Benefit Proceeds to include an 8% interest rate on delayed claim payments.

Related Objection 1

Comment:

Correction to the previous objection letter on 06/19/2012 01:21 PM

"We did (not) find a provision in the contract that provides for the payment of 8% interest on delayed claim payments as described in Ark. Code Ann. 23-81-118."

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Thank you!

Sincerely,
Ada Miller

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Product Name: Exchangeable & Nonrenewable Term Life Insurance
Project Name/Number: PTC-GTCO/PTC-GTCO

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 06/19/2012
Submitted Date 06/19/2012
Respond By Date 07/19/2012

Dear Ada Miller,

This will acknowledge receipt of the captioned filing.

Objection 1

Comment:

Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue.

Regulation 49 requires that a Life and Health guaranty notice be given to each policy owner. Please review your issue procedures and assure us that you are in compliance with Regulation 49.

Regulation 19s10B requires that all new or revised filings submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of this Department.

We did find a provision in the contract that provides for the payment of 8% interest on delayed claim payments as described in Ark. Code Ann. 23-81-118.

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

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Product Name: Exchangeable & Nonrenewable Term Life Insurance
Project Name/Number: PTC-GTCO/PTC-GTCO

Response Letter

Response Letter Status Submitted to State
Response Letter Date 06/20/2012
Submitted Date 06/20/2012

Dear Linda Bird,

Comments:

Thank you for your response.

Response 1

Comments: We have attached the State Guaranty Association Notice in the supporting documentation tab and this will be attached to all policies issued.

Certification per Regulation 19s10B is attached.

We have revised the form number to PTCGTCO-AR and revised the interest rate on delayed claim payments to 8%.

Related Objection 1

Comment:

Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue.

Regulation 49 requires that a Life and Health guaranty notice be given to each policy owner. Please review your issue procedures and assure us that you are in compliance with Regulation 49.

Regulation 19s10B requires that all new or revised filings submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of this Department.

We did find a provision in the contract that provides for the payment of 8% interest on delayed claim payments as described in Ark. Code Ann. 23-81-118.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: State Guaranty Association Notice

SERFF Tracking Number: BANN-128471488 State: Arkansas
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 Company Tracking Number:
 TOI: L04I Individual Life - Term Sub-TOI: L04I.003 Single Life - Single Premium
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 Project Name/Number: PTC-GTCO/PTC-GTCO

Comment: Arkansas State Guaranty Association Act, form # LU-1112, will be attached to all policies issued.

Satisfied -Name: Certification

Comment: Certification attached

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Exchangeable and Nonrenewable Term Life Insurance	PTCGTC O-AR		Policy/Contract/Fraternal Certificate	Initial		66.600	PTCGTC O-AR.pdf
Previous Version							
Exchangeable and Nonrenewable Term Life Insurance	PTC-GTCO		Policy/Contract/Fraternal Certificate	Initial		66.600	PTC-GTCO.pdf

No Rate/Rule Schedule items changed.

Thank you for your further review and approval of this form.

Sincerely,
 Ada Miller

SERFF Tracking Number: BANN-128471488 State: Arkansas

Filing Company: Banner Life Insurance Company State Tracking Number:

Company Tracking Number:

TOI: L04I Individual Life - Term Sub-TOI: L04I.003 Single Life - Single Premium

Product Name: Exchangeable & Nonrenewable Term Life Insurance

Project Name/Number: PTC-GTCO/PTC-GTCO

Form Schedule

Lead Form Number: PTC-GTCO

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	PTCGTCO-AR	Policy/Cont ract/Fratern al Life Insurance Certificate	Initial		66.600	PTCGTCO-AR.pdf



EXCHANGEABLE AND NONRENEWABLE TERM LIFE INSURANCE.

Banner Life Insurance Company . 3275 Bennett Creek Avenue . Frederick, Maryland 21704 . 800-638-8428

Insured - [John Doe]

Face Amount - [\$1,000,000]

Policy Number - [123456789]

Policy Date - [March 1, 2012]

Owner(s) - [John Doe]

RIGHT TO EXAMINE POLICY FOR 30 DAYS

Within 30 days after this Policy is received, it may be returned to the agent through whom it was purchased or to our Home Office. We will then refund any premium paid and the Policy will be deemed void from the beginning.

READ YOUR POLICY CAREFULLY

This Policy is a legal contract between the Policy Owner and Banner Life Insurance Company.

In this Policy, Banner Life Insurance Company will be referred to as "we", "our", or "us".

We will pay the face amount to the Beneficiary if the Insured dies while this Policy is in force. Such payment will be subject to the provisions of this Policy.

All payments are subject to the terms of this Policy. The following pages are part of this Policy.

This Policy is issued in consideration of the application and of the payment of the first premium as provided herein. A copy of the application is attached and is made a part of the Policy.

Signed for Banner Life Insurance Company at its Home Office in Frederick, Maryland on the Policy Date.

Secretary

President



Exchangeable and Nonrenewable Term Life Insurance.

The face amount is payable at death while the Policy is in force prior to Expiration Date

Premiums are payable as shown in the Policy Schedule to the Expiration Date or until the death of the Insured

This Policy is exchangeable at the Exchange Date

This Policy is nonparticipating and no dividends are payable



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Concluded With:

Riders, benefits, amendments, and endorsements, if any; and copy of applications

PLEASE READ YOUR POLICY CAREFULLY

POLICY SCHEDULE PAGE

Policy Number [123456789]

INSURED	[John Doe]	ISSUE DATE	[March 1, 2012]
ISSUE AGE	[25]	POLICY DATE	[March 1, 2012]
SEX	[Male]	EXPIRATION DATE	[November 31, 2012]
		EXCHANGE DATE	[November 31, 2012]
OWNER	[John Doe], or as subsequently changed by the Owner		

BENEFIT AND PREMIUM PAYMENT INFORMATION

FORM #	COVERAGE TYPE	FACE AMOUNT	PREMIUM	RATING CLASSIFICATION
PTCGTCO-AR	Exchangeable and Nonrenewable Term	[\$50,000]	[\$55.13*]	[STANDARD]
[ADB]	[ACCELERATED DEATH BENEFIT]	[N/A]	[FREE]	
[MMGR]	[MEDIGUIDE]	[N/A]	[FREE]	

PAYMENT INFORMATION

[SINGLE PAY] PREMIUM DUE	[55.13*]
PREMIUM DUE DATE	[March 1, 2012]

***Includes \$50 annual policy fee prorated based on the term of the Policy Duration**

Policy Duration:	[9 months]
AGE BASIS	[Age Last Birthday]

If you require further assistance, the [Maryland Insurance Administration's toll-free number is 800-492-6116.]

DEFINITIONS– All capitalized terms, not otherwise defined herein, shall have the meanings provided below.

Age

Age is shown in the Policy Schedule and is the Insured's Age as of the [last] birthday on the Policy Date.

Beneficiary

The person to receive the proceeds payable at the Insured's death.

Contingent Owner

The Contingent Owner is as named in the application or as subsequently changed by the Owner.

Expiration Date

The Expiration Date is shown in the Policy Schedule. After the Expiration Date no insurance will be provided under this Policy.

Exchange Date

The date shown in the Policy schedule. After the Exchange Date, no exchange will be available under this policy.

Home and Administrative Office

Our Home and Administrative Office is located at 3275 Bennett Creek Avenue, Frederick, Maryland 21704.

Insured

The Insured is the individual shown in the Policy Schedule.

Issue Date

The Issue Date is shown on the Policy Schedule. It is the date we complete the processing of the Insured's approved application, and issue to the Insured or the Owner this life insurance Policy.

Owner

The Owner is as named in the application, unless later changed by the Owner. If no Owner is specified, the Insured is the Owner.

Policy

Policy shall mean the life insurance policy specified in the Policy Schedule.

Policy Date

The Policy Date is shown on the Policy Schedule. This date is used to determine premium due dates. Coverage will be effective on the Policy Date.

Written Notice/Recording Thereof

Written Notice means a notification or request received from the Owner in a form satisfactory to us. Written Notices are recorded at our Administrative Office. We will not be responsible for the validity of any Written Notice.

EXCHANGE PROVISION

This Policy may be exchanged for a new policy on the Insured's life on the Exchange Date shown in the Policy schedule.

To make the exchange:

- (1) We must receive a request on a form acceptable to us, prior to the Exchange Date and while this Policy is in force and while the Insured is living; and
- (2) On the Exchange Date, all premiums due on this Policy must be paid.

The new policy will be issued:

- (1) on any plan of life insurance that the Company specifically makes available for Exchange for this Policy;
- (2) so that the time limit specified in the Incontestability and Suicide provisions of the new policy will be measured from the Issue Date of this Policy;
- (3) with the same Owner and Beneficiaries as those listed on record with us for this Policy, as of the Exchange Date; and
- (4) subject to any assignment of this Policy received at our office.

Evidence of insurability is not required unless additional riders requiring evidence of insurability are requested as part of the new policy. The death benefit of the new policy will be the face amount of this Policy shown on the Policy Schedule, unless an increase in the amount of insurance is requested on a form that is acceptable to us. Such a request for an increase in death benefit is subject to our approval.

The Policy Date of the new policy will be the day immediately following the Exchange Date. The first premium for the new policy must be paid before coverage under the new policy begins. Coverage under this Policy will end when coverage under the new policy begins.

Premiums for the new policy will be at the rates in effect for the new policy based on the policy classification of this policy, and the age, as defined in the new policy, on the Policy Date of the new policy. The new policy will be subject to our rules on frequency of premium payment and minimum payment in effect on the new policy's Policy Date.

The new policy may contain any rider(s) included in this Policy, subject to our rules and at the premium rates in effect on the Exchange Date.

GENERAL PROVISIONS

Contract

The entire contract consists of the following:

- This Policy, including any applicable endorsements;
- Riders;
- Any notice of policy changes sent to the Owner for attachment to this Policy;
- The application, including any supplemental application or amendment to the application; and
- Any application for reinstatement.

An application includes all sections and forms the Company has designated as parts of the application.

All statements made in an application are, in the absence of fraud, deemed representations and not warranties. No statement will void this Policy or be used in defense of a claim unless it is contained in the application attached to, or considered to have been attached to, this Policy when issued or delivered.

Only the President, a Vice President, or Secretary of the Company can change or waive any provision of this Policy. Any change or waiver must be made in writing.

We may not change or amend this Policy without the Owner's consent except as expressly provided in the Policy. However, we may change or amend this Policy if such change or amendment is necessary for it to comply with any state or federal law, rule, or regulation.

Incontestability

Statements may be used to contest the validity of this Policy or in defense of a claim only if they are contained in the application or in an endorsement or amendment, and a copy of that application, endorsement, or amendment is attached to, or considered to be attached to, the Policy at issue or is made part of the Policy when a change becomes effective.

We will not contest this Policy after it has been in force during the Insured's lifetime for two years from the Issue Date, except for failure to pay premiums or fraud in the procurement of the Policy (when permitted by applicable law in the state the Policy is delivered for issuance).

If this Policy is reinstated, except for failure to pay premiums and fraud in the procurement of the reinstated Policy (when permitted by applicable law in the state the Policy is delivered for issuance), it will be incontestable after it has been in force during the Insured's lifetime for two years from the effective date of the Reinstatement. The Incontestability period will be based only on statements in the most recent applications, unless the original contestable period has not yet expired. Any Policy change requiring underwriting will be incontestable after it has been in force during the Insured's lifetime for two years from the effective date of the change; this incontestability period will be limited to the change and the statements provided for the change.

Misstatement of Age and Sex

If the Insured's age or sex has been misstated, we will pay the death benefit that the most recent premium paid would have purchased at the correct age and sex. If the correct age is outside of the issue age ranges, the premium and benefit will be extrapolated.

Suicide Exclusion

If the Insured, while sane or insane, dies by suicide within two years from the Issue Date or date of reinstatement, our liability will be limited to a refund of all premiums paid to us.

Nonparticipating

This Policy is nonparticipating and the Owner will not share in Banner Life Insurance Company's profits or surplus. No dividends are payable on this Policy.

TERMINATION

All coverage under this Policy will terminate at the earliest of:

1. The end of the Grace Period, if as described in the Grace Period provision, the minimum premium due was not received;
2. The date we receive Written Notice at our Administrative Office to terminate the Policy;
3. The date of the Insured's death; or
4. The Expiration Date specified in the Policy Schedule.

OWNER AND BENEFICIARY

The Owner, Contingent Owner, primary Beneficiary, and contingent Beneficiary are as shown in the application, unless later changed by the Owner. The Owner may change the designation of Owner, Contingent Owner, Beneficiary, and contingent Beneficiary during the Insured's lifetime by sending us a signed Written Notice. Any change shall take effect as of the date the Written Notice was signed by the Owner, unless otherwise specified, subject to any payments made or actions taken by us prior to receipt of Written Notice. Any designation of an irrevocable Beneficiary cannot be changed without the written consent of the irrevocable Beneficiary. During the Insured's lifetime, only the Owner may exercise all the rights under the Policy and agree with us, as to changes in the Policy.

If the Insured becomes the Owner, any designation of Contingent Owner is automatically revoked. If the Owner is other than the Insured and the Owner dies during the Insured's lifetime, all rights of the Owner pass to the Contingent Owner, if living or in existence, and the Contingent Owner becomes the Owner. If there is no surviving Contingent Owner, the Owner's estate or successors become the Owner. In the event the Owner is other than an individual, and there are no surviving Contingent Owners or successors to the Owner, then the Insured or the Insured's estate becomes the Owner.

All rights of the Owner are subject to the rights of any assignee and of any irrevocable Beneficiary designation we have on record.

Death of a Beneficiary

Unless otherwise provided in the Beneficiary designation:

1. The interest of any Beneficiary who dies before the Insured will pass to any surviving Beneficiaries according to their respective interests; or

2. If no Beneficiary survives the Insured, the proceeds will be paid to any surviving contingent Beneficiary according to their respective interest. If no Beneficiary or contingent Beneficiary survives the Insured, the proceeds will be paid in one sum to the Owner, if living; otherwise, to the Owner's estate.

If a trust is named as the Owner or Beneficiary of this Policy, the Company will have no obligation to verify that the trust is valid or that a trustee is acting within the scope of that trustee's authority. Any payment to the trust will release the Company from all obligations under this Policy and the Company will have no obligation to ensure that such payment is applied according to the trust agreement.

Assignment of Policy

This Policy may be assigned. We will not be responsible for the validity of an assignment. Written Notice of change must be received by our Administrative Office. Changes shall take effect on the date the notice is signed by the Owner, unless otherwise specified, subject to any payments made or actions taken by the Company prior to receipt of this notice. Payments to any assignee will only be made in a lump sum.

PREMIUMS

Payment of Premiums

The first premium must be paid before any insurance becomes effective. The due date of the first premium is the Policy Date. Each subsequent premium is due on the premium due date(s) shown in the Policy Schedule, and must be paid during the Insured's lifetime, until the Expiration Date. The Owner may change the frequency of the premium payment to any frequency we offer on the date such change is requested. All premiums, after the first, are payable in advance at our Administrative Office. A premium receipt signed by one of our officers will be furnished upon request. In no event may premiums be paid beyond the Expiration Date.

Grace Period

Except for the first premium, we will allow a 31 day grace period after the premium due date to pay each premium. During the Grace Period, the Policy will remain in force (however, not beyond the Expiration Date). We will send notification of the Grace Period and the minimum premium due to the Owner's last known address, any designated payor, and to any assignee of record at least 30 days prior to the end of the Grace Period.

If sufficient premium is not paid, all coverage under this Policy will terminate without value at the earlier of the end of the Grace Period or the Expiration Date. Sufficient premium payment sent by U.S. mail must be postmarked within the Grace Period. If death of the Insured occurs during the Grace Period and before the Expiration Date, we will subtract from the Death Benefit Proceeds the premium amount required to provide insurance coverage to the earlier of the Expiration Date or the end of the Policy month in which the date of death of the Insured occurred.

Reinstatement

A Policy which terminates in accordance with the Grace Period provision may be reinstated if:

1. Written request for Reinstatement is made within five years after the expiration of the Grace Period. The reinstated Policy will be in force from the latter of the date we approve the application for Reinstatement and the date required premiums are paid;
2. The Owner submits a written application;
3. Evidence of the Insured's insurability is received and approved by us; and
4. All due and unpaid premiums, including back payments, with interest payable at an annual rate of [6%] are paid.

If the reinstatement is after the Expiration Date of the Policy, and the policy has not been exchanged, the reinstatement will also result in an exchange of this policy for a new policy, as per the Exchange Provision. In such case, the Policy Date of the new policy will be the day immediately following the Exchange Date, and item 4) will include, additionally, the due and unpaid premiums, including back payments, of the new policy from the Exchange Date.

DEATH BENEFIT PROCEEDS

The life insurance proceeds payable at the Insured's death will be (1) plus (2) plus (3) minus (4) where:

- (1) Is the face amount of this Policy, shown in the Policy Schedule;
- (2) Is any insurance on the Insured's life provided by riders;
- (3) Is the portion of any premium paid for a period beyond the Policy month in which the Insured's death occurs;
and
- (4) Is any premium which is due and unpaid for a period from the premium due date to the end of the Policy month in which the Insured's death occurs.

The payment of interest on the death benefit shall be as follows:

1. Interest will accrue at the rate of 8% annually beginning with the date that is 31 calendar days from the latest of Items (a), (b), and (c) to the date the claim is paid, where it is:
 - a. The date that due proof of death is received by the Company;
 - b. The date the Company receives sufficient information to determine its liability, and the appropriate payee legally entitled to the proceeds; and
 - c. The date that legal impediments to Payment of Proceeds that depend on the action of parties other than the Company are resolved and sufficient evidence of the same is provided to the Company. Legal impediments to payment include, but are not limited to: (i) the establishment of guardianships and conservatorships; (ii) the appointment and qualification of trustees, executors, and administrators and (iii) the submission of information required to satisfy a state and federal reporting requirements.

We will not pay the death proceeds until we receive all of the following at our Administrative Office:

1. This Policy or a completed and notarized lost policy affidavit;
2. Due proof of death, satisfactory to the Company, that the Insured died while the Policy was in effect;
3. A written claim for the death proceeds completed by the person entitled to proceeds, or an appropriate representative, on a form that we supply; and
4. If this Policy or a policy change or reinstatement is contestable as set forth in the Incontestability provision when the Insured died, an authorization, on a form that we supply, from a person authorized to allow us to obtain and disclose information about the Insured.

We reserve the right to require the return of the Policy at time of settlement.

PAYMENT OF PROCEEDS

Any amount payable under this contract will be paid in one sum unless otherwise provided. All or part of this sum may be applied to any Payment Option. However, options will not be available if:

1. The net proceeds are less than \$2,500;
2. The amount of each payment is less than \$50; or
3. In the case of Payment Option 1, 3, or 4, the payee is not a natural person receiving payment in his or her own right.

Proceeds left with us may be withdrawn by Written Notice where such right is given. The payment of any withdrawal may be postponed for as long as 6 months from the date we receive Written Notice.

We may require evidence of the survival of any payee before any settlement payment payable to the payee is made.

ELECTION OF PAYMENT OPTIONS

By Owner

During the Insured's lifetime, the Owner may elect any Payment Option and may change such election if he or she has reserved the right to do so.

If the Owner elects a Payment Option for the Beneficiary, the Beneficiary may not:

1. Change or cancel the election;
2. Assign or transfer the amount held by us; or
3. Withdraw any future installments or unpaid interest installments unless these rights are granted in the election.

By Beneficiary

If the Owner does not elect a payment option, the Beneficiary may do so after the Insured's death.

Such election by the Beneficiary:

1. Must be made before the payment of any Policy proceeds has been made; and
2. Shall be effective as of the date of the Insured's death.

Conditions of Election

Any election or change must be made by Written Notice to us. No election or change will be effective until we record it.

PAYMENT OPTIONS

The following sections describe the payments options available under this Policy.

Option 1 – At Interest

The proceeds may be left with us to draw interest. Interest may be paid annually, semi-annually, quarterly, or monthly. The first payment will be made at the end of the interest frequency period chosen. The guaranteed interest rate is 1.5%, compounded yearly. Interest shall not be paid beyond the lifetime of one payee except with our consent.

Option 2 – Payments of a Fixed Amount

Under this option, the Company will make monthly payments in the amount chosen until the proceeds and earned interest have been paid in full. The total amount paid each year must be at least 5% of the original proceeds. The length of the payment period will depend on the amount chosen the amount of the proceeds applied, and the amount of interest earned.

Option 3 – Payments for a Fixed Period

We will make payments for a fixed period. The amount of each payment, per \$1,000 of Policy proceeds, will not be less than that shown in Table A. At the payee's death, we will continue to pay the balance of the unpaid payments to the payee's Beneficiary.

Option 4 – Life Income

We will make equal monthly payments during the payee's lifetime, with a minimum period guaranteed (60 or 120 months). Payments will end with the last monthly payment before his or her death. The amount of each payment, per \$1,000 of Policy proceeds, will not be less than that shown in Table B.

Evidence of Survival

We have the right to require satisfactory proof of any payee's age. The right to change options is not available after payments commence under this option.

Basis of Values

The Payment Option tables are based on an interest rate of 1.5% compounded yearly. For options involving lifetime income, mortality rates are based on the 2000A Mortality Table. We may offer more favorable rates than those determined on this basis.

Additional Options

Any proceeds payable under this Policy may be paid under any other method of payment agreed to by us at the time of settlement.

PAYMENT OPTION TABLES

Table A – Monthly Payments for Each \$1,000 of Proceeds

Number of Years	Monthly Payments
5	17.28
6	14.51
7	12.53
8	11.04
9	9.89
10	8.96
11	8.21
12	7.58
13	7.05
14	6.59
15	6.20
16	5.85
17	5.55
18	5.27
19	5.03
20	4.81
21	4.62
22	4.44
23	4.28
24	4.13
25	3.99
26	3.86
27	3.75
28	3.64
29	3.54
30	3.44

Table B, Monthly Payments for Each \$1,000 of Proceeds

Age	LIFE ONLY		LIFE WITH PERIOD CERTAIN			
	Male	Female	5 Years		10 Years	
			Male	Female	Male	Female
50	3.24	3.00	3.24	3.00	3.22	2.99
51	3.32	3.06	3.31	3.06	3.29	3.05
52	3.39	3.13	3.38	3.12	3.36	3.11
53	3.47	3.19	3.46	3.19	3.44	3.18
54	3.55	3.26	3.54	3.26	3.51	3.25
55	3.63	3.34	3.63	3.33	3.60	3.32
56	3.73	3.42	3.72	3.41	3.68	3.39
57	3.82	3.50	3.81	3.49	3.77	3.47
58	3.92	3.59	3.91	3.58	3.87	3.56
59	4.03	3.68	4.02	3.67	3.97	3.64
60	4.15	3.78	4.13	3.77	4.07	3.74
61	4.27	3.88	4.25	3.87	4.19	3.83
62	4.40	3.99	4.38	3.98	4.30	3.94
63	4.54	4.11	4.52	4.09	4.43	4.05
64	4.69	4.23	4.66	4.22	4.55	4.16
65	4.85	4.37	4.81	4.35	4.69	4.28
66	5.02	4.51	4.98	4.49	4.83	4.41
67	5.20	4.66	5.15	4.64	4.98	4.55
68	5.39	4.83	5.33	4.80	5.13	4.69
69	5.60	5.00	5.53	4.97	5.29	4.84
70	5.82	5.19	5.73	5.15	5.45	5.00
71	6.05	5.40	5.95	5.34	5.62	5.17
72	6.30	5.62	6.18	5.55	5.79	5.34
73	6.57	5.85	6.42	5.78	5.96	5.52
74	6.85	6.11	6.67	6.02	6.14	5.71
75	7.15	6.39	6.94	6.28	6.32	5.91
76	7.48	6.69	7.22	6.55	6.51	6.11
77	7.82	7.01	7.52	6.84	6.69	6.31
78	8.19	7.37	7.83	7.16	6.87	6.52
79	8.59	7.75	8.15	7.49	7.05	6.73
80	9.02	8.16	8.49	7.84	7.22	6.93
81	9.47	8.61	8.85	8.21	7.39	7.14
82	9.95	9.09	9.21	8.60	7.56	7.33
83	10.47	9.62	9.59	9.01	7.71	7.52
84	11.02	10.18	9.97	9.44	7.86	7.69
85	11.61	10.80	10.37	9.87	8.00	7.86
86	12.24	11.46	10.76	10.32	8.13	8.01
87	12.91	12.16	11.17	10.77	8.24	8.15
88	13.62	12.92	11.57	11.22	8.35	8.27
89	14.37	13.72	11.97	11.66	8.45	8.38
90	15.17	14.56	12.37	12.10	8.54	8.48
91	16.02	15.43	12.77	12.52	8.61	8.56
92	16.92	16.35	13.16	12.92	8.68	8.64
93	17.87	17.30	13.54	13.31	8.74	8.71
94	18.88	18.30	13.91	13.69	8.80	8.76
95	19.97	19.33	14.28	14.05	8.84	8.81

Income Payments for ages not shown furnished upon request. The values above are based on 1.5% and the 2000A Mortality Table.



Exchangeable and Nonrenewable Term Life Insurance.

The face amount is payable at death while the Policy is in force prior to Expiration Date

Premiums are payable as shown in the Policy Schedule to the Expiration Date or until the death of the Insured

This Policy is exchangeable at the Exchange Date

This Policy is nonparticipating and no dividends are payable

SERFF Tracking Number: BANN-128471488 State: Arkansas
 Filing Company: Banner Life Insurance Company State Tracking Number:
 Company Tracking Number:
 TOI: L04I Individual Life - Term Sub-TOI: L04I.003 Single Life - Single Premium
 Product Name: Exchangeable & Nonrenewable Term Life Insurance
 Project Name/Number: PTC-GTCO/PTC-GTCO

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification Comments: Readability Certification attached Attachment: PTC-GTCO Readability Certification.pdf		
Satisfied - Item: Application Comments: previously approved simplified issue application approved 2/28/12 Attachment: LIA-ST (2-12).pdf		
Satisfied - Item: Life & Annuity - Acturial Memo Comments: Actuarial Memorandum attached Attachment: GTCO.ActMemoPTC-GTCO.pdf		
Satisfied - Item: Sample Cost Disclosure Comments: Sample cost and benefit disclosure attached Attachment: CostDisclosurePTC.pdf		

SERFF Tracking Number: BANN-128471488 State: Arkansas
Filing Company: Banner Life Insurance Company State Tracking Number:
Company Tracking Number:
TOI: L04I Individual Life - Term Sub-TOI: L04I.003 Single Life - Single Premium
Product Name: Exchangeable & Nonrenewable Term Life Insurance
Project Name/Number: PTC-GTCO/PTC-GTCO

Item Status:

**Status
Date:**

Satisfied - Item: State Guaranty Association Notice

Comments:

Arkansas State Guaranty Association Act, form # LU-1112, will be attached to all policies issued.

Attachment:

GuarantyAssnNoticeAR LU-1112.pdf

Item Status:

**Status
Date:**

Satisfied - Item: Certification

Comments:

Certification attached

Attachment:

Certification Notice.pdf

Readability Certification
PTC-GTCO

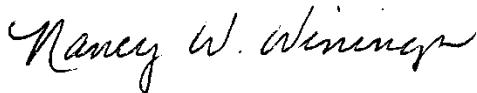
This is to certify that the form in this filing has been tested and meets the minimum required Flesch reading ease score.

Exchangeable and Nonrenewable Term Life Insurance, Form PTC-GTCO, yields a score of 66.6.

The policy, except for specification pages, schedules, and tables is not less than 10-point type with one-point lead.

The style, arrangement, and overall appearance of the policy give no undue prominence to any portion of the text of the policy or to any endorsements or riders.

A table of contents is included in the policy as it contains more than 3,000 words and consists of more than 3 pages.



Nancy W. Winings, FSA, MAAA
Vice President, Product Development
Banner Life Insurance Company

June 11, 2012
Date



Banner Life Insurance Company
3275 Bennett Creek Avenue
Frederick, Maryland 21704
(800) 638-8428

LIA-ST (2-12)

NOTICE TO PROPOSED INSURED **(Please give to the Proposed Insured)**

Thank you for applying to Banner Life Insurance Company. The soliciting insurance broker (broker) should be able to answer any questions you may have. This broker is an independent broker, not an employee of Banner Life Insurance Company, and is not authorized to make or modify contracts or to waive any requirements or any information that we may request.

Underwriting

Once we receive your application, we will begin an evaluation process called underwriting to determine whether you are eligible for insurance and, if so, the rate you should pay for that insurance. We may find that we are unable to give you the insurance you have applied for or that we are able to give it to you only on a modified basis or at a rate greater than our lowest rate.

Your application will be our primary source of information; therefore, it must be true, complete, and accurate. You must inform us of a change to any answer in any part of your application before accepting delivery of a policy; in fact, you agree to do so when you sign your application. We may seek information from other sources to help us evaluate the information you give us on your application.

Contestability

We strongly urge you to review the completed application closely for accuracy. A claim may be denied, the policy may be void or your coverage may be lost if the application is incomplete or if it contains false statements or material misrepresentations. Any policy that may be issued will indicate when and under what circumstances it may be contested. Please be aware that if the application contains material misrepresentations or conceals material facts, and you submitted it with the intent to defraud or to facilitate fraud against us, you may also be guilty of insurance fraud, which is a crime. You must inform us of a change to any answer in any part of your application before accepting delivery of a policy; in fact, you agree to do so when you sign your application.

Replacement of Existing Coverage

If you intend to replace existing coverage, tell the broker of your intention and answer "yes" to the replacement question in the application; state law may require the broker to give you information that will help you compare the policy you are applying for with the policy you intend to replace. If you are undecided about keeping existing coverage, indicating an intention to replace existing coverage may help you get the information you need to make a decision. If you do replace existing coverage, the new policy may contain new suicide and contestable periods. The following would be considered replacement: you stop paying premiums on an existing policy or surrender an existing policy before or shortly after applying to us or you borrow from an existing policy to pay premiums for the insurance for which you are applying. State law may define replacement to include other situations. Ask the broker if you are unsure.

Insurance Information Practices

We will rely primarily on information provided by you. We may supplement that information with information from other sources such as medical professionals who have treated you. In some cases, we may ask a consumer reporting agency to collect information and submit an investigative consumer report to us as explained in this Notice under Federal Fair Credit Reporting Notice. You may request to be interviewed in connection with the preparation of this report.

In certain limited situations, we are allowed by law to disclose necessary items of personal information to third parties without your specific authorization.

You have the right to be told about, and receive copies if you wish, of items of personal information about you that appear in our files, including information contained in investigative consumer reports. You also have the right to seek correction of information you believe to be inaccurate.

We will send you a more detailed explanation of our information practices if you send us a written request. You may send your request to the Director of Underwriting, Banner Life Insurance Company, 3275 Bennett Creek Avenue, Frederick, Maryland 21704.

Federal Fair Credit Reporting Notice

As part of our underwriting, we may ask that an investigative consumer report be prepared. An independent source known as a consumer reporting agency will prepare the report. The report will typically include information as to your character, general reputation, mode of living, and personal characteristics. The agency may conduct personal interviews with your family, friends, neighbors, business associates, financial sources, or others with whom you are acquainted in order to get this information. If you write to us within a reasonable time after you receive this Notice, we will tell you whether or not a report was requested. If a report was requested, we will tell you the name, address, and telephone number of the agency to whom the request was made. Upon request, the agency will furnish information as to the nature and scope of its investigation. If you would like to inspect and to receive a copy of the report, you may do so by contacting the agency directly.



Banner Life Insurance Company
3275 Bennett Creek Avenue
Frederick, Maryland 21704
(800) 638-8428

LIA-ST (2-12)

NOTICE TO PROPOSED INSURED
(Please give to the Proposed Insured)

MIB, Inc. (Medical Information Bureau) Pre-Notice Disclosure

Information regarding your insurability will be treated as confidential. Banner Life Insurance Company or its reinsurers may, however, make a brief report thereon to the MIB, Inc., formerly known as Medical Information Bureau, a not-for-profit membership organization of insurance companies, which operates an information exchange on behalf of its members. If you apply to another MIB, Inc. member company for life or health insurance coverage, or a claim for benefits is submitted to such a company, MIB, Inc., upon request, will supply each company with the information about you in its file.

Upon receipt of a request from you, MIB, Inc. will arrange disclosure of any information in your file. Please contact MIB, Inc. at 866-692-6901 (TTY 866-346-3642). If you question the accuracy of information in MIB, Inc.'s file, you may contact MIB, Inc. and seek a correction in accordance with the procedures set forth in the Federal Fair Credit Reporting Act. The address of MIB, Inc.'s information office is 50 Braintree Hill Park, Suite 400, Braintree, MA 02184-8734.

Banner Life Insurance Company, or its reinsurers, may also release information from its file to other insurance companies to whom you may apply for life or health insurance, or to whom a claim for benefits may be submitted. Information for consumers about MIB, Inc. may be obtained on its website at www.mib.com.



Banner Life Insurance Company
3275 Bennett Creek Avenue
Frederick, Maryland 21704
(800) 638-8428

LIFE INSURANCE APPLICATION
(Please Print)

SECTION A PROPOSED INSURED

1. Full Name (Include maiden name in parentheses)		2. Sex <input type="checkbox"/> M <input type="checkbox"/> F	3. Date of Birth Month Day Year	4. Social Security Number
5. a. Home Address (If P.O. Box, list home address in Section J - Details.) Street _____ City, State _____ Zip _____				5. b. How Long
6. Phone Numbers Home _____ Work _____	7. State/Country of Birth	8. U.S. Citizen <input type="checkbox"/> Yes <input type="checkbox"/> No Visa Type _____ If No, Date of Entry into U.S. _____ Country of Citizenship _____		
9. Marital Status <input type="checkbox"/> M <input type="checkbox"/> S <input type="checkbox"/> W <input type="checkbox"/> D	10. Driver's License Number and State of Issue or State ID Number (If None, list reason.)			
11. Proposed Insured Email Address				
12. Occupation (Include duties)		13. Annual Income		14. Total Net Worth
15. a. Employer's Name and Address and Nature of Business				15. b. How Long Employed

SECTION B BENEFICIARY (Share percentage totals must equal 100%. If necessary, use Section J - Details.
If Beneficiary is a trust, check box ☐ and complete Sections B and D.)

16. Primary				
Name _____	SSN or Tax ID # _____	Date of Birth _____		
Address _____	City, State _____	Zip _____		
Relationship to the Proposed Insured _____		% Share _____		
Name _____	SSN or Tax ID # _____	Date of Birth _____		
Address _____	City, State _____	Zip _____		
Relationship to the Proposed Insured _____		% Share _____		
17. Contingent				
Name _____	Relationship _____	% Share _____		
SSN _____	Date of Birth _____			
Name _____	Relationship _____	% Share _____		
SSN _____	Date of Birth _____			

SECTION C OWNER (Will be Proposed Insured unless otherwise indicated in this section.)

18. Owner is <input type="checkbox"/> Trust (If checked must complete Sections C and D.) <input type="checkbox"/> Other than Proposed Insured or Trust				
Name _____	SSN or Tax ID # _____	Date of Birth _____		
Address _____	City, State _____	Zip _____		
Contact Phone # _____	Relationship to Proposed Insured _____			
Email address _____	If Owner is a business, web site address _____			

SECTION D TRUST INFORMATION (Must complete if trust is Beneficiary and/or Owner.)

19. Exact Name of Trust _____	Trust Tax ID# _____
Current Trustee(s) _____	Date of Trust _____

Policy Number (if assigned) _____

SECTION E PAYOR

20. Send premium notices to: ☐ Employer ☐ Other - If Other, complete the information below

Name _____ Relationship to Insured/Owner(s) _____

Address _____ City, State _____ Zip _____

Contact Phone # _____ Email address _____

SECTION F INSURANCE APPLIED FOR

21. Amount of Insurance \$ _____

22. Frequency of premium payment: ☐ Annual ☐ Semi-annual ☐ Quarterly ☐ Monthly

SECTION G OTHER INSURANCE

23. Have you ever had an application or informal inquiry for life insurance declined, postponed, modified, rated or offered with a reduced face amount? (If Yes, provide details in Section J - Details.) _____ ☐ Yes ☐ No

24. a. Are you currently applying, or do you intend to apply, for additional life insurance coverage? _____ ☐ Yes ☐ No

b. If Yes, what is the total amount of insurance you intend to accept? \$ _____

25. Have you replaced other life insurance policies in the past 2 years? (If Yes, provide details in Section J - Details.) _____ ☐ Yes ☐ No

26. a. Do you currently have life insurance coverage (except group insurance)? _____ ☐ Yes ☐ No

b. If Yes, provide information for each policy currently in force (except group insurance). If you indicate that you are likely to replace, end, or change existing insurance or annuity with any company or society with the insurance for which you are applying, the broker may be required to provide additional forms for your review and signature. (If necessary, use Section J - Details.)

Company	Policy Number	Face Amount	Business?		Issue Date	Replacing?		Beneficiary
			Yes	No		Yes	No	
			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	

SECTION H PROPOSED INSURED'S HISTORY

27. In the past 90 days, has the Proposed Insured been at work on a full-time basis performing all duties of his/her regular occupation for at least 30 hours per week? (If No, provide details in Section J - Details.) _____ ☐ Yes ☐ No

28. In the past 90 days, has the Proposed Insured been absent from his/her customary place of employment for 5 or more work days due to illness or medical treatment? (If Yes, explain in Section J - Details.) _____ ☐ Yes ☐ No

SECTION I PROPOSED INSURED'S HISTORY (Complete only if age 71 or older. Provide explanations for Yes answers in Section J - Details.)

Medical facility includes medical center, hospital, mental health facility, or any facility for drug or alcohol treatment. **Care Provider** includes, but is not limited to, persons licensed as physicians; chiropractors; physical therapists; psychologists; drug, alcohol, or mental health counselors.

29. In the past 5 years, has the Proposed Insured had his/her driver's license suspended or revoked, or been the driver of a motor vehicle involved in an accident? _____ ☐ Yes ☐ No

30. In the past 10 years, has the Proposed Insured been examined or treated by a care provider, been examined or treated at a hospital or other medical facility, or been counseled or treated for alcohol or other drug use? _____ ☐ Yes ☐ No

31. Has the Proposed Insured ever been treated for any of the following:

- a. Stroke, high blood pressure, chest pain, or disease of the heart or blood vessels? _____ ☐ Yes ☐ No
- b. Cancer? _____ ☐ Yes ☐ No
- c. Respiratory disease, kidney disease, liver disease, or diabetes? _____ ☐ Yes ☐ No
- d. Mental or nervous disorder? _____ ☐ Yes ☐ No

SECTION J DETAILS - Include question #, reasons, dates, diagnosis, duration, names and addresses of medical facilities/care providers.

IN CONNECTION WITH THIS APPLICATION FOR INSURANCE, IT IS UNDERSTOOD AND AGREED THAT:

I/we have read the application and all statements and answers contained in this application and any supplements thereto, copies of which shall be attached to and made a part of any policy to be issued, are true and complete to the best of my/our knowledge and belief and made to induce Banner Life Insurance Company (the Company) to issue an insurance policy. The statements and answers in the application are the basis for any policy issued by the Company, and no information about me will be considered to have been given to the Company unless it is stated in the application. I agree to notify the Company of any changes to the statements and answers given in any part of the application before accepting delivery of any policy.

No agent or other person has power to: (a) accept risk; (b) make or modify contracts; (c) make, void, waive or change any conditions or provisions of the application, policy or receipt, as applicable; (d) waive any Company rights or requirements; (e) waive any information the Company requests; (f) discharge any contract of insurance; or (g) bind the Company by making promises respecting benefits upon any policy to be issued.

I agree that: **I/we will notify the Insurer if any statement or answer given in any part of the application changes prior to policy delivery. Insurance will not begin unless all persons proposed for insurance are living and insurable as set forth in the application at the time a policy is delivered to and accepted by the Owner and the first modal premium is paid.**

Changes or corrections made by the Company and noted in Section J - Details above are ratified by the Owner upon acceptance of a contract containing this application with the noted changes or corrections. In those states where written consent is required by statute or State Insurance Department regulation for amendments as to plan, amount, classification, age at issue, or benefits, such changes will be made only with the Owner's written consent.

AUTHORIZATION TO OBTAIN AND DISCLOSE INFORMATION

I hereby authorize any physician, medical professional, hospital, clinic or medical care facility; pharmacy benefit manager, prescription database; any insurance or reinsurance company; any consumer reporting agency or insurance support organization; my employer; or the Medical Information Bureau (MIB, Inc.), to provide the Company and its legal representatives or affiliated insurers, all information they have pertaining to: medical consultations; treatments; hospitalizations for physical and/or mental conditions, use of drugs or alcohol; drug prescriptions; or any other information for me. Other information could include items such as: other insurance information; personal finances; habits; hazardous avocations; motor vehicle records; court records; or foreign travel, etc.

I understand that the information obtained will be used by the Company to determine my eligibility for insurance. I authorize that any information gathered during the evaluation of my application may be disclosed to: reinsurers; the MIB, Inc.; other persons or organizations performing business or legal services in connection with my application or claim; any physician designated by me; or any person or entity required to receive such information by law or as I may further consent.

I understand that this authorization may be revoked at any time by sending a written request to the Company, Attn: Director of Underwriting, Banner Life Insurance Company, 3275 Bennett Creek Avenue, Frederick, Maryland 21704.

The authorization will be valid for 30 months and shall survive the insured. I agree that a copy of this authorization will be as valid as the original. I authorize the Company to obtain an investigative consumer report on me. I understand that I may request to be interviewed for the report and receive, upon written request, a copy of such report.

If an investigative consumer report is prepared, I elect to be interviewed: ☐ Yes ☐ No

DECLARATION

I/we understand that all premium checks are to be made payable to **Banner Life Insurance Company** (payee should not be left blank); checks are not to be made payable to the agent, agency or other third party. I/we have received the Notice to Proposed Insured, which includes the Medical Information Bureau Pre-Notice Disclosure and the Federal Fair Credit Reporting Notice.

I authorize and appoint the Payor named in this application to act as my Agent for the sole purpose of receiving, accepting, and acknowledging delivery of any resulting insurance policy, and/or any other delivery requirement, issued pursuant to this application.

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law. **Please see fraud warnings on page 4 prior to signing this application.**

_____ Signature of Proposed Insured	Signed at _____ City/State	
_____ Print Name of Proposed Insured	_____ Date	
_____ Signature of Owner (if other than Proposed Insured)	Signed at _____ State in which Owner Signs the Application	
_____ Print Name of Owner	_____ Owner/Officer Title	_____ Date
_____ Signature of Licensed Insurance Agent	Signed at _____ City/State	_____ Date

FRAUD WARNINGS

Arkansas & District of Columbia

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information on an insurance application is guilty of a crime and may be subject to fines and imprisonment.

Colorado

It is unlawful to knowingly provide false, incomplete or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Florida

Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Kentucky

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Louisiana, New Mexico, and Rhode Island

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit, or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Maine, Tennessee, Virginia, and Washington

It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or a denial of insurance benefits.

Maryland

Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

New Jersey

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Ohio

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud

Oklahoma

Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Oregon

Any person who knowingly and with intent to defraud, or solicits another to defraud, an insurer by submitting an application or filing a claim containing any false or deceptive material information may be guilty of insurance fraud.

Pennsylvania

Any person who, knowingly and with intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

STATEMENT OF POLICY COST AND BENEFIT INFORMATION FOR POLICY 123456789

ANY CORRESPONDENCE REGARDING THIS POLICY SUMMARY MAY BE FORWARDED EITHER TO OUR HOME OFFICE OR TO THE AGENT LISTED BELOW:

PREPARED BY:

BANNER LIFE INSURANCE COMPANY
3275 BENNETT CREEK AVENUE
FREDERICK, MD 21704

AGENT:

CPS INSURANCE SERVICES
18551 VON KARMAN STE 150
IRVINE, CA 92612

THIS POLICY SUMMARY WAS PREPARED ON FEBRUARY 29, 2012 FOR THE LIFE OF
JOHN DOE (MALE) ISSUE AGE 25.

YOUR COVERAGE CONSISTS OF AN EXCHANGEABLE AND NONRENEWABLE TERM POLICY. THE TOTAL ANNUAL PREMIUM WILL INCLUDE THE COST FOR WAIVER OF PREMIUM BENEFIT, ACCIDENTAL DEATH BENEFIT, OR RATED EXTRAS IF ISSUED IN YOUR POLICY.

AGE	YEAR	PREMIUM*	FACE AMOUNT OF INSURANCE
25	1	55.13	50,000

*Includes annual \$50 policy fee prorated based on the term of the policy duration.

LIFE INSURANCE COST INDICES:

SURRENDER COST INDEX
NET PAYMENT INDEX

PREMIUM	
10 YEAR	20 YEAR
N/A	N/A
N/A	N/A

AN EXPLANATION OF THE INTENDED USE OF THESE INDICES IS PROVIDED IN THE LIFE INSURANCE BUYER'S GUIDE. THESE INDICES ARE USEFUL ONLY FOR THE COMPARISON OF RELATIVE COSTS OF TWO OR MORE SIMILAR POLICIES.



Banner Life Insurance Company
3275 Bennett Creek Avenue
Frederick, Maryland 21704
800-638-8428
www.LGAmerica.com

LIMITATIONS AND EXCLUSIONS UNDER THE ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in the state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

The Arkansas Life and Health Insurance Guaranty Association
c/o The Liquidation Division
1023 West Capitol
Little Rock, Arkansas 72201

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

COVERAGE

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity, or health insurance contract or policy, or if they are insured under a group insurance contract, issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons owning such policies are NOT protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does NOT provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contract holders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC") (whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution;
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a non-affiliate benefit plan or its trustees).

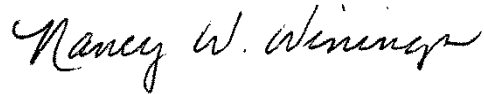
LIMITS ON AMOUNT OF COVERAGE

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.

Certification

PTCGTCO-AR

I hereby certify that the above-referenced submission meets the provisions of Regulation 34, Regulation 19s10B, as well as other applicable requirements of the Arkansas Department of Insurance.



Nancy W. Winings, F.S.A., M.A.A.A.
Vice President & Actuary

June 20, 2012
Date

SERFF Tracking Number: BANN-128471488 State: Arkansas

Filing Company: Banner Life Insurance Company State Tracking Number:

Company Tracking Number:

TOI: L04I Individual Life - Term Sub-TOI: L04I.003 Single Life - Single Premium

Product Name: Exchangeable & Nonrenewable Term Life Insurance

Project Name/Number: PTC-GTCO/PTC-GTCO

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
06/14/2012	Form	Exchangeable and Nonrenewable Term Life Insurance	06/20/2012	PTC-GTCO.pdf (Superceded)



EXCHANGEABLE AND NONRENEWABLE TERM LIFE INSURANCE.

Banner Life Insurance Company . 3275 Bennett Creek Avenue . Frederick, Maryland 21704 . 800-638-8428

Insured - [John Doe]

Face Amount - [\$1,000,000]

Policy Number - [123456789]

Policy Date - [March 1, 2012]

Owner(s) - [John Doe]

RIGHT TO EXAMINE POLICY FOR 30 DAYS

Within 30 days after this Policy is received, it may be returned to the agent through whom it was purchased or to our Home Office. We will then refund any premium paid and the Policy will be deemed void from the beginning.

READ YOUR POLICY CAREFULLY

This Policy is a legal contract between the Policy Owner and Banner Life Insurance Company.

In this Policy, Banner Life Insurance Company will be referred to as "we", "our", or "us".

We will pay the face amount to the Beneficiary if the Insured dies while this Policy is in force. Such payment will be subject to the provisions of this Policy.

All payments are subject to the terms of this Policy. The following pages are part of this Policy.

This Policy is issued in consideration of the application and of the payment of the first premium as provided herein. A copy of the application is attached and is made a part of the Policy.

Signed for Banner Life Insurance Company at its Home Office in Frederick, Maryland on the Policy Date.

Secretary

President



Exchangeable and Nonrenewable Term Life Insurance.

The face amount is payable at death while the Policy is in force prior to Expiration Date

Premiums are payable as shown in the Policy Schedule to the Expiration Date or until the death of the Insured

This Policy is exchangeable at the Exchange Date

This Policy is nonparticipating and no dividends are payable



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Concluded With:

Riders, benefits, amendments, and endorsements, if any; and copy of applications

PLEASE READ YOUR POLICY CAREFULLY

POLICY SCHEDULE PAGE

Policy Number [123456789]

INSURED	[John Doe]	ISSUE DATE	[March 1, 2012]
ISSUE AGE	[25]	POLICY DATE	[March 1, 2012]
SEX	[Male]	EXPIRATION DATE	[November 31, 2012]
		EXCHANGE DATE	[November 31, 2012]
OWNER	[John Doe], or as subsequently changed by the Owner		

BENEFIT AND PREMIUM PAYMENT INFORMATION

FORM #	COVERAGE TYPE	FACE AMOUNT	PREMIUM	RATING CLASSIFICATION
PTC-GTCO	Exchangeable and Nonrenewable Term	[\$50,000]	[\$55.13*]	[STANDARD]
[ADB]	[ACCELERATED DEATH BENEFIT]	[N/A]	[FREE]	
[MMGR]	[MEDIGUIDE]	[N/A]	[FREE]	

PAYMENT INFORMATION

[SINGLE PAY] PREMIUM DUE	[55.13*]
PREMIUM DUE DATE	[March 1, 2012]

***Includes \$50 annual policy fee prorated based on the term of the Policy Duration**

Policy Duration:	[9 months]
AGE BASIS	[Age Last Birthday]

If you require further assistance, the [Maryland Insurance Administration's toll-free number is 800-492-6116.]

DEFINITIONS– All capitalized terms, not otherwise defined herein, shall have the meanings provided below.

Age

Age is shown in the Policy Schedule and is the Insured's Age as of the [last] birthday on the Policy Date.

Beneficiary

The person to receive the proceeds payable at the Insured's death.

Contingent Owner

The Contingent Owner is as named in the application or as subsequently changed by the Owner.

Expiration Date

The Expiration Date is shown in the Policy Schedule. After the Expiration Date no insurance will be provided under this Policy.

Exchange Date

The date shown in the Policy schedule. After the Exchange Date, no exchange will be available under this policy.

Home and Administrative Office

Our Home and Administrative Office is located at 3275 Bennett Creek Avenue, Frederick, Maryland 21704.

Insured

The Insured is the individual shown in the Policy Schedule.

Issue Date

The Issue Date is shown on the Policy Schedule. It is the date we complete the processing of the Insured's approved application, and issue to the Insured or the Owner this life insurance Policy.

Owner

The Owner is as named in the application, unless later changed by the Owner. If no Owner is specified, the Insured is the Owner.

Policy

Policy shall mean the life insurance policy specified in the Policy Schedule.

Policy Date

The Policy Date is shown on the Policy Schedule. This date is used to determine premium due dates. Coverage will be effective on the Policy Date.

Written Notice/Recording Thereof

Written Notice means a notification or request received from the Owner in a form satisfactory to us. Written Notices are recorded at our Administrative Office. We will not be responsible for the validity of any Written Notice.

EXCHANGE PROVISION

This Policy may be exchanged for a new policy on the Insured's life on the Exchange Date shown in the Policy schedule.

To make the exchange:

- (1) We must receive a request on a form acceptable to us, prior to the Exchange Date and while this Policy is in force and while the Insured is living; and
- (2) On the Exchange Date, all premiums due on this Policy must be paid.

The new policy will be issued:

- (1) on any plan of life insurance that the Company specifically makes available for Exchange for this Policy;
- (2) so that the time limit specified in the Incontestability and Suicide provisions of the new policy will be measured from the Issue Date of this Policy;
- (3) with the same Owner and Beneficiaries as those listed on record with us for this Policy, as of the Exchange Date; and
- (4) subject to any assignment of this Policy received at our office.

Evidence of insurability is not required unless additional riders requiring evidence of insurability are requested as part of the new policy. The death benefit of the new policy will be the face amount of this Policy shown on the Policy Schedule, unless an increase in the amount of insurance is requested on a form that is acceptable to us. Such a request for an increase in death benefit is subject to our approval.

The Policy Date of the new policy will be the day immediately following the Exchange Date. The first premium for the new policy must be paid before coverage under the new policy begins. Coverage under this Policy will end when coverage under the new policy begins.

Premiums for the new policy will be at the rates in effect for the new policy based on the policy classification of this policy, and the age, as defined in the new policy, on the Policy Date of the new policy. The new policy will be subject to our rules on frequency of premium payment and minimum payment in effect on the new policy's Policy Date.

The new policy may contain any rider(s) included in this Policy, subject to our rules and at the premium rates in effect on the Exchange Date.

GENERAL PROVISIONS

Contract

The entire contract consists of the following:

- This Policy, including any applicable endorsements;
- Riders;
- Any notice of policy changes sent to the Owner for attachment to this Policy;
- The application, including any supplemental application or amendment to the application; and
- Any application for reinstatement.

An application includes all sections and forms the Company has designated as parts of the application.

All statements made in an application are, in the absence of fraud, deemed representations and not warranties. No statement will void this Policy or be used in defense of a claim unless it is contained in the application attached to, or considered to have been attached to, this Policy when issued or delivered.

Only the President, a Vice President, or Secretary of the Company can change or waive any provision of this Policy. Any change or waiver must be made in writing.

We may not change or amend this Policy without the Owner's consent except as expressly provided in the Policy. However, we may change or amend this Policy if such change or amendment is necessary for it to comply with any state or federal law, rule, or regulation.

Incontestability

Statements may be used to contest the validity of this Policy or in defense of a claim only if they are contained in the application or in an endorsement or amendment, and a copy of that application, endorsement, or amendment is attached to, or considered to be attached to, the Policy at issue or is made part of the Policy when a change becomes effective.

We will not contest this Policy after it has been in force during the Insured's lifetime for two years from the Issue Date, except for failure to pay premiums or fraud in the procurement of the Policy (when permitted by applicable law in the state the Policy is delivered for issuance).

If this Policy is reinstated, except for failure to pay premiums and fraud in the procurement of the reinstated Policy (when permitted by applicable law in the state the Policy is delivered for issuance), it will be incontestable after it has been in force during the Insured's lifetime for two years from the effective date of the Reinstatement. The Incontestability period will be based only on statements in the most recent applications, unless the original contestable period has not yet expired. Any Policy change requiring underwriting will be incontestable after it has been in force during the Insured's lifetime for two years from the effective date of the change; this incontestability period will be limited to the change and the statements provided for the change.

Misstatement of Age and Sex

If the Insured's age or sex has been misstated, we will pay the death benefit that the most recent premium paid would have purchased at the correct age and sex. If the correct age is outside of the issue age ranges, the premium and benefit will be extrapolated.

Suicide Exclusion

If the Insured, while sane or insane, dies by suicide within two years from the Issue Date or date of reinstatement, our liability will be limited to a refund of all premiums paid to us.

Nonparticipating

This Policy is nonparticipating and the Owner will not share in Banner Life Insurance Company's profits or surplus. No dividends are payable on this Policy.

TERMINATION

All coverage under this Policy will terminate at the earliest of:

1. The end of the Grace Period, if as described in the Grace Period provision, the minimum premium due was not received;
2. The date we receive Written Notice at our Administrative Office to terminate the Policy;
3. The date of the Insured's death; or
4. The Expiration Date specified in the Policy Schedule.

OWNER AND BENEFICIARY

The Owner, Contingent Owner, primary Beneficiary, and contingent Beneficiary are as shown in the application, unless later changed by the Owner. The Owner may change the designation of Owner, Contingent Owner, Beneficiary, and contingent Beneficiary during the Insured's lifetime by sending us a signed Written Notice. Any change shall take effect as of the date the Written Notice was signed by the Owner, unless otherwise specified, subject to any payments made or actions taken by us prior to receipt of Written Notice. Any designation of an irrevocable Beneficiary cannot be changed without the written consent of the irrevocable Beneficiary. During the Insured's lifetime, only the Owner may exercise all the rights under the Policy and agree with us, as to changes in the Policy.

If the Insured becomes the Owner, any designation of Contingent Owner is automatically revoked. If the Owner is other than the Insured and the Owner dies during the Insured's lifetime, all rights of the Owner pass to the Contingent Owner, if living or in existence, and the Contingent Owner becomes the Owner. If there is no surviving Contingent Owner, the Owner's estate or successors become the Owner. In the event the Owner is other than an individual, and there are no surviving Contingent Owners or successors to the Owner, then the Insured or the Insured's estate becomes the Owner.

All rights of the Owner are subject to the rights of any assignee and of any irrevocable Beneficiary designation we have on record.

Death of a Beneficiary

Unless otherwise provided in the Beneficiary designation:

1. The interest of any Beneficiary who dies before the Insured will pass to any surviving Beneficiaries according to their respective interests; or

2. If no Beneficiary survives the Insured, the proceeds will be paid to any surviving contingent Beneficiary according to their respective interest. If no Beneficiary or contingent Beneficiary survives the Insured, the proceeds will be paid in one sum to the Owner, if living; otherwise, to the Owner's estate.

If a trust is named as the Owner or Beneficiary of this Policy, the Company will have no obligation to verify that the trust is valid or that a trustee is acting within the scope of that trustee's authority. Any payment to the trust will release the Company from all obligations under this Policy and the Company will have no obligation to ensure that such payment is applied according to the trust agreement.

Assignment of Policy

This Policy may be assigned. We will not be responsible for the validity of an assignment. Written Notice of change must be received by our Administrative Office. Changes shall take effect on the date the notice is signed by the Owner, unless otherwise specified, subject to any payments made or actions taken by the Company prior to receipt of this notice. Payments to any assignee will only be made in a lump sum.

PREMIUMS

Payment of Premiums

The first premium must be paid before any insurance becomes effective. The due date of the first premium is the Policy Date. Each subsequent premium is due on the premium due date(s) shown in the Policy Schedule, and must be paid during the Insured's lifetime, until the Expiration Date. The Owner may change the frequency of the premium payment to any frequency we offer on the date such change is requested. All premiums, after the first, are payable in advance at our Administrative Office. A premium receipt signed by one of our officers will be furnished upon request. In no event may premiums be paid beyond the Expiration Date.

Grace Period

Except for the first premium, we will allow a 31 day grace period after the premium due date to pay each premium. During the Grace Period, the Policy will remain in force (however, not beyond the Expiration Date). We will send notification of the Grace Period and the minimum premium due to the Owner's last known address, any designated payor, and to any assignee of record at least 30 days prior to the end of the Grace Period.

If sufficient premium is not paid, all coverage under this Policy will terminate without value at the earlier of the end of the Grace Period or the Expiration Date. Sufficient premium payment sent by U.S. mail must be postmarked within the Grace Period. If death of the Insured occurs during the Grace Period and before the Expiration Date, we will subtract from the Death Benefit Proceeds the premium amount required to provide insurance coverage to the earlier of the Expiration Date or the end of the Policy month in which the date of death of the Insured occurred.

Reinstatement

A Policy which terminates in accordance with the Grace Period provision may be reinstated if:

1. Written request for Reinstatement is made within five years after the expiration of the Grace Period. The reinstated Policy will be in force from the latter of the date we approve the application for Reinstatement and the date required premiums are paid;
2. The Owner submits a written application;
3. Evidence of the Insured's insurability is received and approved by us; and
4. All due and unpaid premiums, including back payments, with interest payable at an annual rate of [6%] are paid.

If the reinstatement is after the Expiration Date of the Policy, and the policy has not been exchanged, the reinstatement will also result in an exchange of this policy for a new policy, as per the Exchange Provision. In such case, the Policy Date of the new policy will be the day immediately following the Exchange Date, and item 4) will include, additionally, the due and unpaid premiums, including back payments, of the new policy from the Exchange Date.

DEATH BENEFIT PROCEEDS

The life insurance proceeds payable at the Insured's death will be (1) plus (2) plus (3) minus (4) where:

- (1) Is the face amount of this Policy, shown in the Policy Schedule;
- (2) Is any insurance on the Insured's life provided by riders;
- (3) Is the portion of any premium paid for a period beyond the Policy month in which the Insured's death occurs; and
- (4) Is any premium which is due and unpaid for a period from the premium due date to the end of the Policy month in which the Insured's death occurs.

The payment of interest on the death benefit shall be as follows:

1. Interest will accrue at the rate or rates applicable to the Policy for funds left on deposit. In determining these effective annual rate or rates, the Company shall use the rate in effect on the date due proof is received by the Company.
2. Interest will accrue at the effective annual rate determined in Item 1 beginning with the date that is 31 calendar days from the latest of Items (a), (b), and (c) to the date the claim is paid, where it is:
 - a. The date that due proof of death is received by the Company;
 - b. The date the Company receives sufficient information to determine its liability, and the appropriate payee legally entitled to the proceeds; and
 - c. The date that legal impediments to Payment of Proceeds that depend on the action of parties other than the Company are resolved and sufficient evidence of the same is provided to the Company. Legal impediments to payment include, but are not limited to: (i) the establishment of guardianships and conservatorships; (ii) the appointment and qualification of trustees, executors, and administrators; and (iii) the submission of information required to satisfy a state and federal reporting requirements.

We will not pay the death proceeds until we receive all of the following at our Administrative Office:

1. This Policy or a completed and notarized lost policy affidavit;
2. Due proof of death, satisfactory to the Company, that the Insured died while the Policy was in effect;
3. A written claim for the death proceeds completed by the person entitled to proceeds, or an appropriate representative, on a form that we supply; and
4. If this Policy or a policy change or reinstatement is contestable as set forth in the Incontestability provision when the Insured died, an authorization, on a form that we supply, from a person authorized to allow us to obtain and disclose information about the Insured.

We reserve the right to require the return of the Policy at time of settlement.

PAYMENT OF PROCEEDS

Any amount payable under this contract will be paid in one sum unless otherwise provided. All or part of this sum may be applied to any Payment Option. However, options will not be available if:

1. The net proceeds are less than \$2,500;
2. The amount of each payment is less than \$50; or
3. In the case of Payment Option 1, 3, or 4, the payee is not a natural person receiving payment in his or her own right.

Proceeds left with us may be withdrawn by Written Notice where such right is given. The payment of any withdrawal may be postponed for as long as 6 months from the date we receive Written Notice.

We may require evidence of the survival of any payee before any settlement payment payable to the payee is made.

ELECTION OF PAYMENT OPTIONS

By Owner

During the Insured's lifetime, the Owner may elect any Payment Option and may change such election if he or she has reserved the right to do so.

If the Owner elects a Payment Option for the Beneficiary, the Beneficiary may not:

1. Change or cancel the election;
2. Assign or transfer the amount held by us; or
3. Withdraw any future installments or unpaid interest installments unless these rights are granted in the election.

By Beneficiary

If the Owner does not elect a payment option, the Beneficiary may do so after the Insured's death.

Such election by the Beneficiary:

1. Must be made before the payment of any Policy proceeds has been made; and
2. Shall be effective as of the date of the Insured's death.

Conditions of Election

Any election or change must be made by Written Notice to us. No election or change will be effective until we record it.

PAYMENT OPTIONS

The following sections describe the payments options available under this Policy.

Option 1 – At Interest

The proceeds may be left with us to draw interest. Interest may be paid annually, semi-annually, quarterly, or monthly. The first payment will be made at the end of the interest frequency period chosen. The guaranteed interest rate is 1.5%, compounded yearly. Interest shall not be paid beyond the lifetime of one payee except with our consent.

Option 2 – Payments of a Fixed Amount

Under this option, the Company will make monthly payments in the amount chosen until the proceeds and earned interest have been paid in full. The total amount paid each year must be at least 5% of the original proceeds. The length of the payment period will depend on the amount chosen the amount of the proceeds applied, and the amount of interest earned.

Option 3 – Payments for a Fixed Period

We will make payments for a fixed period. The amount of each payment, per \$1,000 of Policy proceeds, will not be less than that shown in Table A. At the payee's death, we will continue to pay the balance of the unpaid payments to the payee's Beneficiary.

Option 4 – Life Income

We will make equal monthly payments during the payee's lifetime, with a minimum period guaranteed (60 or 120 months). Payments will end with the last monthly payment before his or her death. The amount of each payment, per \$1,000 of Policy proceeds, will not be less than that shown in Table B.

Evidence of Survival

We have the right to require satisfactory proof of any payee's age. The right to change options is not available after payments commence under this option.

Basis of Values

The Payment Option tables are based on an interest rate of 1.5% compounded yearly. For options involving lifetime income, mortality rates are based on the 2000A Mortality Table. We may offer more favorable rates than those determined on this basis.

Additional Options

Any proceeds payable under this Policy may be paid under any other method of payment agreed to by us at the time of settlement.

PAYMENT OPTION TABLES

Table A – Monthly Payments for Each \$1,000 of Proceeds

Number of Years	Monthly Payments
5	17.28
6	14.51
7	12.53
8	11.04
9	9.89
10	8.96
11	8.21
12	7.58
13	7.05
14	6.59
15	6.20
16	5.85
17	5.55
18	5.27
19	5.03
20	4.81
21	4.62
22	4.44
23	4.28
24	4.13
25	3.99
26	3.86
27	3.75
28	3.64
29	3.54
30	3.44

Table B, Monthly Payments for Each \$1,000 of Proceeds

Age	LIFE ONLY		LIFE WITH PERIOD CERTAIN			
	Male	Female	5 Years		10 Years	
			Male	Female	Male	Female
50	3.24	3.00	3.24	3.00	3.22	2.99
51	3.32	3.06	3.31	3.06	3.29	3.05
52	3.39	3.13	3.38	3.12	3.36	3.11
53	3.47	3.19	3.46	3.19	3.44	3.18
54	3.55	3.26	3.54	3.26	3.51	3.25
55	3.63	3.34	3.63	3.33	3.60	3.32
56	3.73	3.42	3.72	3.41	3.68	3.39
57	3.82	3.50	3.81	3.49	3.77	3.47
58	3.92	3.59	3.91	3.58	3.87	3.56
59	4.03	3.68	4.02	3.67	3.97	3.64
60	4.15	3.78	4.13	3.77	4.07	3.74
61	4.27	3.88	4.25	3.87	4.19	3.83
62	4.40	3.99	4.38	3.98	4.30	3.94
63	4.54	4.11	4.52	4.09	4.43	4.05
64	4.69	4.23	4.66	4.22	4.55	4.16
65	4.85	4.37	4.81	4.35	4.69	4.28
66	5.02	4.51	4.98	4.49	4.83	4.41
67	5.20	4.66	5.15	4.64	4.98	4.55
68	5.39	4.83	5.33	4.80	5.13	4.69
69	5.60	5.00	5.53	4.97	5.29	4.84
70	5.82	5.19	5.73	5.15	5.45	5.00
71	6.05	5.40	5.95	5.34	5.62	5.17
72	6.30	5.62	6.18	5.55	5.79	5.34
73	6.57	5.85	6.42	5.78	5.96	5.52
74	6.85	6.11	6.67	6.02	6.14	5.71
75	7.15	6.39	6.94	6.28	6.32	5.91
76	7.48	6.69	7.22	6.55	6.51	6.11
77	7.82	7.01	7.52	6.84	6.69	6.31
78	8.19	7.37	7.83	7.16	6.87	6.52
79	8.59	7.75	8.15	7.49	7.05	6.73
80	9.02	8.16	8.49	7.84	7.22	6.93
81	9.47	8.61	8.85	8.21	7.39	7.14
82	9.95	9.09	9.21	8.60	7.56	7.33
83	10.47	9.62	9.59	9.01	7.71	7.52
84	11.02	10.18	9.97	9.44	7.86	7.69
85	11.61	10.80	10.37	9.87	8.00	7.86
86	12.24	11.46	10.76	10.32	8.13	8.01
87	12.91	12.16	11.17	10.77	8.24	8.15
88	13.62	12.92	11.57	11.22	8.35	8.27
89	14.37	13.72	11.97	11.66	8.45	8.38
90	15.17	14.56	12.37	12.10	8.54	8.48
91	16.02	15.43	12.77	12.52	8.61	8.56
92	16.92	16.35	13.16	12.92	8.68	8.64
93	17.87	17.30	13.54	13.31	8.74	8.71
94	18.88	18.30	13.91	13.69	8.80	8.76
95	19.97	19.33	14.28	14.05	8.84	8.81

Income Payments for ages not shown furnished upon request. The values above are based on 1.5% and the 2000A Mortality Table.

➤ Exchangeable and Nonrenewable Term Life Insurance.

The face amount is payable at death while the Policy is in force prior to Expiration Date

Premiums are payable as shown in the Policy Schedule to the Expiration Date or until the death of the Insured

This Policy is exchangeable at the Exchange Date

This Policy is nonparticipating and no dividends are payable